

MINUTE ITEM

This Calendar Item No. C18  
 was approved as Minute Item  
 No. 18 by the State Lands  
 Commission by a vote of 3  
 to 0 at its 8/26/76  
 meeting.

CALENDAR ITEM

C18.

8/76  
 WP 1584  
 DR

REVISION IN LEASE RENTAL AFTER ROUTINE REVIEW

The lease listed below provides that the State may adjust the annual rental at a different amount for the 5-year term following the fifth anniversary of the lease, effective on such anniversary date. Should State fail to provide Lessee with such notice on or before three months prior to any such fifth anniversary of the term, the annual rental will remain the same as the rental payable for the immediately preceding five-year period, except that during the following five-year period, State shall be entitled to fix a different amount of rental payable thereafter effective on the date the next rental payment shall be due after three months from State's notice of such change to Lessee. However, should State so change the rental effective on a date other than any such fifth anniversary date, such change shall be without prejudice to State's right to change said rental rate on each succeeding fifth anniversary of this lease as above provided. The original lease was a commercial lease. The minimum rental was \$300 per annum. On June 30, 1975, Title 2, Division 3, Article 2, California Administrative Code was revised and adopted to include a minor commercial lease. A minor commercial lease is defined as a small income producing enterprise grossing not more than \$25,000 per annum under optimum management. Staff has determined that this lease, under current regulations, should be classified as minor commercial. Therefore, minimum rental of \$225 per annum is applicable. The lessee was notified of the amount within the time constraints set by this lease.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE ADJUSTING THE NEW ANNUAL RENTAL PER ANNUM INDICATED, FOR THE FOLLOWING LEASE EFFECTIVE ON THE DATE SHOWN:

<u>PRC NO.</u>	<u>LESSEE/ADDRESS</u>	<u>PRIOR RENTAL</u>	<u>AMOUNT OF NEW RENTAL</u>	<u>EFFECTIVE DATE</u>
1584.1	Dr. Gerrid C. Joy P. O. Box 1043 Crescent City, California 95531	\$300	\$225	November 30, 1976

EXHIBITS: A. Location Map.

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